

INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE TOWN OF PAYSON

THIS AGREEMENT is entered into 6 AUGUST, 1998,
pursuant to Arizona Revised Statutes, Sections 11-951 through 11-954, as amended, between the
STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State")
and the TOWN OF PAYSON, acting by and through its MAYOR and TOWN COUNCIL (the "Town")

I. RECITALS

1. The State is empowered by Arizona Revised Statutes Section 28-401 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State.

2. The Town is empowered by Arizona Revised Statutes Section 41-1513 and 28-1895 et seq to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the Town.

3. The Town has requested Economic Strength Project (ESP) funds in the amount of \$143,230.00; the Arizona Department of Commerce and the Economic Development Commission have recommended the approval of such funds for the Town, and the Transportation Board has approved the funding, for the construction of improvements to SR-87 at Green Valley Parkway, to provide improved access, and aid in the retention and development of local business, hereinafter referred to as the Project.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

=====

NO. 22567
Filed with the Secretary of State
Date Filed: 08/06/98
Petrey Bayless
Secretary of State

By: W. J. Greenwald

II. SCOPE

1. The Town will:

a. Insure the additional commitment of 55 24% of the total estimated Project cost, or \$176,800.00, whichever is more, from the Town or other sources (not including ESP funds) to the Project. Accomplish construction of the Project by public bidding, in strict compliance with State procurement laws, rules and regulations. Upon completion, approve and accept the Project on behalf of the Town and provide maintenance

b. No more often than monthly, invoice the State for ESP funds (Arizona Department of Commerce, ATTN: Finance and Administration Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012), in an amount not to exceed \$143,230.00.

c. Provide the State a copy of the executed Project contract(s), and draw down and expend the State ESP funds no later than six (6) months after the effective date of this agreement. Provide the State detailed written reports of all ESP fund expenditures, supported by invoices, receipts or other suitable and appropriate documentation, and a final accounting report no later than thirty (30) days after ESP funds are fully expended.

d. Reimburse the State any funds received from the State under this agreement which are not specifically and directly expended in compliance with the ESP grant application, which is attached hereto and made a part hereof, and are subsequently disallowed by the State

e. Provide the State (Arizona Department of Commerce, ATTN: Finance and Administration Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012) with quarterly Project status reports, and one year after completion of the Project, a written Economic Impact Report detailing the direct and indirect impact of the Project, to include jobs created, jobs retained and related data.

2. The State will:

Within thirty (30) days after receipt and approval of the ESP contract(s) and subsequent monthly progress payment invoices, reimburse the Town for work completed on the Project funds in an amount not to exceed \$143,230.00.

III. MISCELLANEOUS PROVISIONS

1. The only interest of the Department of Transportation in the Project is to convey economic strength pass through funds for the use and benefit of the Town by reason of state law under which funds for the Project are authorized to be expended.

2. The Town agrees to indemnify and save harmless the State, or any of it's departments, agencies, officers or employees, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or non-performance by the State of any of the provisions of this agreement.

3. The total amount of ESP funds expended under this agreement shall not exceed 44.76% of the total Project cost. Should the Project not be completed, be partially completed, or be completed at a lower cost than the advanced amount, or for any other reason should any of these ESP funds not be expended, a proportionate amount of the funds provided under this agreement shall be reimbursed to the State.

4. This agreement shall remain in force and effect until completion of said Project, reimbursement and subsequent reports; provided, however, that this agreement, except any provisions herein for maintenance, which shall be perpetual, may be cancelled at any time prior to the award of a construction contract, upon thirty (30) days written notice to the other party. Further, this agreement may be terminated and the ESP grant cancelled by the State if the Town, in the opinion of and by action of the Transportation Board, fails to pursue due diligence on the Project or in the performance of any of the terms of this agreement

5. This agreement shall become effective upon filing with the Secretary of State.

6. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards conflicts of interest on behalf of State employees

7. The provisions of Arizona Revised Statutes Section 35-214 pertaining to 5 year records retention by the Town and audit by the State are applicable to this contract

8. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

9. All notices or demands upon any party to this agreement, except as otherwise specified herein, shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 South 17 Avenue, Mail Drop 616E
Phoenix, AZ 85007

Town of Payson
Town Manager
303 N. Beeline Highway
Payson, AZ 85541

10. Attached hereto and incorporated herein is the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

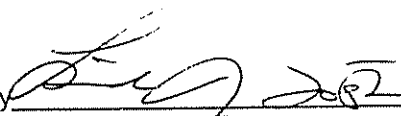
TOWN OF PAYSON

STATE OF ARIZONA
Department of Transportation

By 
VERN STIFFLER
Mayor

By 
JAY KLAGGE, Director
Transportation Planning

ATTEST:

By 
LINDA J. FOSTER
Town Clerk

RESOLUTION

BE IT RESOLVED on this 22nd day of June 1998, that I, the undersigned MARY E. PETERS, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with the Town of Payson for the purpose of defining responsibilities for the design, construction and maintenance of improvements to SR-87 at Green Valley Parkway in the Town.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Director of Transportation Planning for approval and execution.

A handwritten signature in black ink, appearing to read 'D. Allocco', is written over a horizontal line.

DAVID ALLOCCO, Manager
Engineering Technical Group
for Mary E. Peters, Director

RESOLUTION NO. 1300

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND THE TOWN OF PAYSON FOR ECONOMIC STRENGTH PROJECT FUNDS IN THE AMOUNT OF \$143,230.00 AND AUTHORIZING THE MAYOR TO EXECUTE THE SAME.

WHEREAS, the Town of Payson has sought and received an economic strength (ESP) grant in the amount of \$143,230.00; and

WHEREAS, such grant will provide for the construction of improvements to State Route 87 at McLane Road and provide improved access at such juncture, while aiding in the retention and development of local business; and

WHEREAS, to consummate such grant and provide for the receipt of grant funds it is necessary to enter into an intergovernmental agreement between the State of Arizona and the Town of Payson,

NOW, THEREFORE, THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, DO HEREBY RESOLVE AS FOLLOWS:

Section 1. That the intergovernmental agreement between the State of Arizona and the Town of Payson for AG Contract No. KR98 1356TRN, project G1050 75C, ADOT ECS File: JPA 98-102, be and is hereby approved. A copy of said agreement is attached hereto, marked exhibit A and incorporated herein by this reference as though set forth in full at this point.

Section 2. That Vernon M. Stiffler, Mayor of the Town of Payson, be and is hereby authorized to execute said intergovernmental agreement.

Section 3. That the Town of Payson be and is hereby authorized to perform such other and further acts as are necessary or appropriate for carrying out the intent and purposes of said intergovernmental agreement.

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON this 23rd day of July, 1998, by the following vote:

AYES 7 NOES 0 ABSTENTIONS 0 ABSENT 0

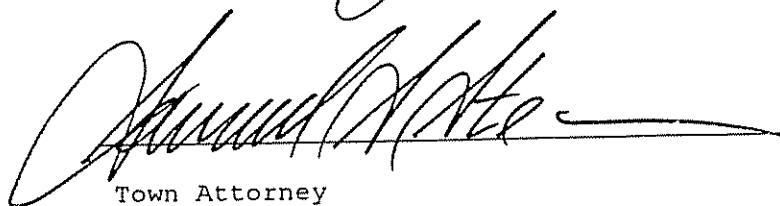
JUL 23 '98 Item No. D.1.C. *

7/24/98
J

APPROVAL OF THE PAYSON TOWN ATTORNEY

I have reviewed the above referenced proposed intergovernmental agreement, between the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION and the TOWN OF PAYSON and declare this agreement to be in proper form and within the powers and authority granted to the Town under the laws of the State of Arizona.

DATED this 24th day of July, 1998.


Town Attorney

ECONOMIC STRENGTH PROJECTS
REQUEST FOR PROPOSAL
FY 1998 - ROUND 2
January 23, 1998

APPLICATION FORM

NOTE: *Additional information may be provided in attachments. Be sure to clearly reference and mark such additions and attachments.*

1. NAME, ADDRESS, AND COUNTY OF APPLICANT(S):

Town of Payson, Gila County, Arizona
303 North Beeline Highway, Payson, Arizona 85541

2. TYPE OF ORGANIZATION OF APPLICANT: (Check one)

a) ☒ Local Government only

b) ☐ Private Non Profit / Local Government Joint Application:

Name of Non Profit Agencies Involved:

Tonto Apache Tribe, Payson Economic Development Corporation,
Payson Chamber of Commerce, Payson Pro Rodeo Committee

Name of Local Government Involved:

Town of Payson, Arizona

3. Describe the function or purpose of applicant organization.

The Town of Payson is a municipal corporation incorporated in 1973. The function of the Town is to provide local government services as authorized by laws of the State of Arizona, ordinances and resolutions of the Town Council.

4. Name, address, and phone number of contact person(s):

Richard Underkofler, Town Manager
303 North Beeline Highway, Payson, Arizona 85541
Phone: (520) 474-5242 Ex. 262

5. Describe the private sector project or activity for which the related ESP funding is requested.

ESP funding will enable road access to a new eighty (80) room Marriott Fairfield Hotel.

6. Describe the Economic Strength Project for which funding is requested. Describe how the ESP project supports/relates to the private sector project described in #5 above.

This project will provide deceleration and turning lanes, traffic signal modifications and a paved road to enable safer access to the new hotel site from State Route 87 according to standards prescribed by the Arizona Department of Transportation.

7. Describe how the private sector project fits into the community's overall economic development efforts.

Payson needs more hotel and motel rooms to accommodate an increasing number of tourists coming to town. When State Route 87 is completely widened to four lanes within the next few years, Payson will be the closest, prettiest, coolest and most convenient mountain retreat destination for over three million people living just an hour away in the Phoenix Metropolitan Area. If more tourists can be accommodated in town, sales of existing businesses will increase, new commerce will develop and the town will receive more sales tax revenue.

8. Describe how the supporting ESP project fits into the Community's overall economic development efforts.

In addition to providing access to the new Marriott Fairfield Hotel, the ESP project will:

- Enable access to a 36 acre site designated for a new Payson Event Center to host rodeos, equestrian events, conference and trade shows, swap meets, concerts, arts & crafts festivals, specialty shows (automobile, circus & carnival events) and other community cultural and recreational activities;
- Implement a construction phase of plans for Green Valley Parkway, a west Payson by-pass route to help alleviate traffic congestion problems on State Route 87;
- Enable a realignment of South McLane Road by the Marriott Fairfield Hotel to more safely route traffic through a signalized intersection at State Route 87;
- Provide access to 15 acres of land the Tonto Apache Tribe is acquiring in an exchange from the Forest Service south of the Event Center site for commercial development; and,
- Provide access for other private economic development projects north and west of the Event Center site. For example, the Marriott Fairfield investors intend to build 200 condominium residential units on the remainder of the land they are acquiring. And, another development group intends to develop a "Rawhide" type commercial project west of the Event Center site on land the Armstrong Family is acquiring from the Forest Service in the Payson IV Land Exchange.

9. How will ongoing maintenance and repair be provided for the ESP project after construction/improvement?

Ongoing maintenance and repair of the road improvements to be assisted by this ESP grant will be assumed by the Arizona Department of Transportation for that portion within the State Route 87 right-of-way; and, by the Town of Payson for that portion of Green Valley Parkway extending west of the SR 87 right-of-way.

10. Description of ESP project. (Check one)

- a) ☐ This is an existing roadway.
- b) ☐ This is a new roadway.
- c) ☐ This is a bridge.
- d) ☐ This is an underpass.
- e) ☒ Other:

Turning lanes and signal modifications on existing roadway (State Route 87) and extension of new paved roadway (Green Valley Parkway) into the project site.

11. Where is the private sector project located that is supported by this ESP project?

The new Marriott Fairfield Hotel will be located on a 20 acre site west of State Route 87 and the Tonto Apache Tribe's Mazatazal Casino.

12. Where is the ESP project located? (Note: Attach site map(s) to the application.)

a. In the community:

At the intersection of State Route 87 and Green Valley Parkway (a new road), near the southern boundary of the Town of Payson

b. In relation to the related private sector project:

Approximately 2,000 LF North of Green Valley Parkway, West of State Route 87

c. In what legislative district:

State Legislative District #4

13. What is the length (in feet/miles) of the ESP project?

ADOT SR 87 Section:	1,360 L.F.
Green Valley Parkway Section:	1,190 L.F.

14. What is the width (in feet) of the ESP project?

ADOT SR 87 Section:	14 L.F.
Green Valley Parkway Section:	24 L.F.

In the jobs section below (Q15 - Q17), applicants must provide employment- and wage-related information for the private sector employers (existing or new) which the ESP fund is supporting. If these projects do not generate certain categories of jobs (job creation, job retention or seasonal jobs), those sections should be left blank.

15. JOB CREATION

a. Construction Phase

Does your project create any public or private construction jobs?

Yes ☒
No ☐

If yes, complete the following; otherwise go to Q15.b.

- | | |
|--|----------------------|
| (1) Number of construction jobs directly created by private sector | _____ 50 _____ |
| Number of days or months the construction jobs would last | _____ 8 months _____ |
| Average hourly wages | _____ \$ 15.00 _____ |
| (2) Number of construction jobs directly created by ESP project | _____ 20 _____ |
| Average number of days or months the construction jobs would last | _____ 2 months _____ |
| Average hourly wages | _____ \$ 12.00 _____ |

Note: List and provide the above information for each employer included in or supported by your ESP application.

The employer for the construction phase of the private sector project will be Payson Fairfield, L.L.C., a corporation organized to acquire land and construct the hotel. See an attached exhibit from Howard Fisher, a principal of this corporation documenting the economic attributes of this project. The employer for the construction phase of the ESP project will be selected by a competitive procedure after an ESP grant is awarded and bids are solicited for the project. The number of construction jobs created by the ESP Project, the number of days the jobs would last and the average hourly wages are estimates of LaRon Garrett, P.E., Payson Town Engineer.

b. Operation Phase

- | | |
|--|----------------------|
| (1) Number of full-time permanent direct jobs created (in 2 years) | _____ 43 FTE _____ |
| Average hourly wages | \$10.00 to \$14.00 |
| (2) Number of part-time permanent direct jobs created (in 2 years) | _____ 4 _____ |
| Average number of hours per week | _____ 15 Hours _____ |
| Average hourly wages | _____ \$10.00 _____ |

Note: List and provide the above information for each employer included in or supported by your ESP application.

The new hotel will create 40 full time equivalent jobs for 12 months at an average wage rate of \$10.00 per hour. The hotel will be operated by Marriott Hotels via management agreement with Payson Fairfield, L.L.C. See the attached exhibit from Howard Fisher.

The new Payson Event Center is expected to create 3 full time jobs for 12 months at an average wage rate of \$14.00 per hour. In addition, 4 part-time year around jobs will be created at the Center at an average wage rate of \$10.00 per hour. See an attached exhibit from Barry Cardinael, Project Development Director, for economic attributes of the new Payson Event Center Project.

16. JOB RETENTION

Payson's economy has been "booming" over recent years, primarily in the home building construction sector to serve population growth of persons moving to the area for retirement and a "small town" quality of life. Job loss is not perceived to be a threat for the short term. Rather, this project will further diversify the area's economic base with tourism related jobs and enhance the quality of life by providing a facility for cultural and recreational events.

17. SEASONAL JOBS

If seasonal jobs are a significant part of the operation of private businesses for which you have applied for ESP, complete the following. Otherwise, go to question 18.

- a. Number of seasonal jobs created _____ 6 _____
Average number of days per year 30 Week-Ends
Average hourly wages _____ \$9.00 _____
- b. Number of seasonal jobs retained _____ N/A _____
Average number of days per year _____ N/A _____
Average hourly wages _____ N/A _____
- c. Further Clarifications

- (1). Are the seasonal jobs created or retained for one year, or would they be occurring on an on-going basis year after year? _____ On-Going _____

Note: List and provide the above information for each employer included in or supported by your ESP application.

The Payson Event Center will create opportunities for recurring seasonal employment. Minimum projections for "week-end" events and necessary part-time help for staging of such events are another 6 jobs for about 30 week-end special events, working an average of 12 hours each at an average wage of \$9.00 per hour.

18. Capital Investment.

- a) What kind of new, additional capital investment will be made by the private sector business or industry assisted by this ESP project? (Building, equipment, etc. at this site).

Payson Fairfield investors are pledging \$6 million to acquire the land, construct the hotel and subsequent residential housing projects.

- b) What is the purpose and dollar value of the new, additional capital investment that will be made by the private sector business or industry assisted by this ESP project?

\$ 3,000,000 for Hotel Design and Construction
\$ 2,400,000 for Design and Construction of 200 Residential Condominium Units
\$ 300,000 for Realignment of South McLane Road
\$ 300,000 for Land Acquisition
\$ 6,000,000 Total

19. Cost/Benefit Calculation

What is the likelihood that benefit resulting from the project will exceed the costs of the project? Show detail of cost/benefit analysis used to determine the net benefits of this project.

The ESP grant investment sought for this project is now \$153,230; reduced from the \$175,230 sought last year during the Round 98-1 Request for Proposals.

The total public sector investment, including the ESP grant, would be \$325,030.

The cost of the ESP Grant compared to direct economic benefits of the project are estimated as follows (see attached exhibits for documentation of these values):

Construction Phase

<u>Value of Construction Expenditures</u> (Ratio: \$153,230 to \$6,770,030)	
Value of Private Expenditures by Payson Fairfield	\$ 6,000,000
Value of ESP Project	320,030
Value of Public Expenditures for Rodeo Arena	50,000
Value of Private Contributions for Rodeo Arena	<u>400,000</u>
Total Direct Construction Value	\$ 6,770,030

<u>Value of Construction Jobs</u> (Ratio: \$153,230 to \$1,036,800)	
Hotel Project: 50 FTE Jobs for 32 weeks @ \$15.00/Hour	960,000
ESP Project: 20 FTE Jobs for 8 weeks @ \$12.00/Hour	<u>76,800</u>
Total Payroll Allocable to Construction Phase	\$ 1,036,800

Operation Phase

<u>Value of Gross Sales</u> (Ratio: \$153,230 to \$1,600,000)	
Annual Sales of Hotel	1,400,000
Annual Sales of Event Center	<u>200,000</u>
Total Gross Sales Allocable to Project	\$ 1,600,000

<u>Value of Jobs Created</u> (Ratio: \$153,230 to \$970,000)	
Hotel: 40 FTE Jobs for 52 weeks @ \$10.00/Hour	832,000
Event Center:	
3 Full-time Jobs for 52 weeks @ \$14.00/Hour	87,360
4 Part-time Jobs (15 hours / week @ \$10.00/Hour x 52 weeks)	31,200
6 Seasonal Jobs (30 weekends @ \$9.00/Hour x 12 Hours)	<u>19,440</u>
Total Payroll Allocable to Operation Phase	\$ 970,000

<u>Annual Taxes to be Derived from Project</u> (Ratio: \$153,230 to \$236,000)	
Sales Taxes @ 8% of Gross Sales of Hotel & Event Center	128,000
Property Taxes of Hotel @ 13.6214 mills per \$100	71,000
Town Bed Tax from Hotel @ \$1.00 per night	23,000
State Income Taxes from Hotel	<u>14,000</u>
Total Annual Tax Revenue from Project	\$ 236,000

Note: This analysis excludes values for subsequent construction phases of Event Center Development and indirect economic benefits allocable to the project. Barry Cardinael, Payson Event Center Project Development Director, estimates the Event Center will attract 18,750 new tourists per year who will spend (on average) \$50 per person while in Payson.

20. What community(ies) will benefit from this project? How will each listed community benefit?

Payson with a current population of about 12,500 persons is the largest community and primary hub for education, health care, retail, professional and governmental services for a market area of approximately 36,000 persons, collectively called "The Rim Country". Other unincorporated residential communities within the market area include, Pine, Strawberry, East Verde Estates, Mesa del Caballo, Whispering Pines, Star Valley, Kohl's Ranch, Christopher Creek, Round Valley and Ox Bow Estates. All communities of "The Rim Country" are mutually dependent upon each other for economic growth and prosperity. If Payson is able to enhance its tourism industry by attraction of visitors from the Phoenix/Mesa Metropolitan Area, other communities of "The Rim Country" will indirectly benefit.

21. List the names of local economic development organizations, and a contact person for each, which are involved with this private sector project. **Attach documentation (letters of support, etc.) showing the involvement and level of support of each organization.**

Howard Fisher, Principal, Payson Fairfield, L.L.C., 602-661-7440
 Tonto Apache Tribe, Vivian Burdette, Tribal Chairperson, 520-474-5000
 Payson Economic Development Corporation, Cliff Potts, President, 520-474-2337
 Payson Chamber of Commerce, Tori Ferrari, Manager, 520-474-4515
 Payson Pro Rodeo Committee, Bill Armstrong, Chairman, 520-474-9440

22. What is the total cost of the entire project? \$6,770,030
23. What is the total cost of the ESP portion of the project? \$320,030
24. Complete and attach the Budget Detail Schedule (Attachment A).
25. Complete and attach the Sources and Uses Schedule (Attachment B).
26. Of the total ESP project cost listed in #23 above, how much financial assistance are you requesting from the Economic Strength Projects Fund? \$153,230
27. List the sources and amounts of matching funds (both private and public) that will be a part of the total direct ESP project cost.

a) Public Funds:

(1) Name of public entity contributing the match.	Amount
Town of Payson	\$121,800
(2) Cash match contributed to the project.	
- Source (general fund, grants, HURF, etc.)	Amount
Town of Payson, HURF Funds	\$26,600
(3) In-kind match contributed to the project.	
- Type of match (force account labor, construction management, materials, etc.)	Amount
Town of Payson, ROW Dedication	\$95,200
Total	\$121,800

b) Private Sector funds:

Name of private sector company(ies) contributing matching funds to the ESP project, (if any)	Amount
APEX Land Survey, Inc.	\$20,000
ASL Consulting Engineers	<u>25,000</u>
Total	\$45,000

28. Local utility or other infrastructure expenditures:

- a) What indirect local public utility or other infrastructure expenditures will need to be made in connection with (1) the private sector project, and (2) the ESP project? For example, expansion of water or waste water treatment facilities due to demands of the new business which the ESP project is assisting; extension of utility lines, major drainage improvements, etc.).

(1) Private Sector Project. McLane Road will need to be realigned and widened from the site of the new hotel to Green Valley Parkway. In connection with this project, the existing hazardous intersection of McLane Road at State Route 87 will be closed. Water, sewer, electric, gas, telephone and cable television will need to be extended to the hotel site.

(2) ESP Project. The ESP Project is a major infrastructure project necessary to provide access to the new hotel and the new Payson Event Center. This project will provide deceleration and turning lanes, traffic signal modifications and a paved road to enable safer access from State Route 87.

29. How will the infrastructure expenditures listed in #28 above be funded?

(1) Private Sector Project. Infrastructure expenditures for the hotel project, including \$300,000 for realignment of McLane Road from Green Valley Parkway to the hotel site, will be financed by private capital pledged by Payson Fairfield Investors.

(2) ESP Project. Infrastructure for the ESP Project would be financed by the Town of Payson (\$121,800), donated services of local survey and engineering firms (\$45,000) and the state ESP Grant (\$153,230).

(3) Payson Event Center Project:

Public Sector Sources (\$50,000). The Town of Payson has pledged \$50,000 (in addition to cash and right-of-way pledged to the ESP project) for new stock fencing, a water main extension, labor, fuel and equipment to prepare the rodeo arena site.

Volunteer and Private Sector Sources (\$400,000). Arizona Public Service Company, U.S. West, Broken Bow Gas Company and the Northern Gila County Sanitary District have pledged to donate labor, material and equipment needed for the other utility extensions to the site of the Event Center. Volunteer and private sector contributions are valued at \$200,000 to date for clearing, grubbing and grading of the site. Another \$200,000 is the estimated value of work yet to be done for utility extensions, fencing, lighting, bleachers and other site work for the Event Center.

30. How soon after receiving approval of your ESP proposal could you begin construction on:

(a) The private sector project? (e.g., days, months) 6 Months

(b) The ESP project? (e.g., days, months) 3 Months

31(a). How long will the private sector project take to complete from start to finish?
(e.g., days, months) 8 Months

31(b). How long will the ESP project take to complete from start to finish?
(e.g., days, months) 2 Months

32. List below the major milestone activities to be completed in the project and the time schedules for each. Note: Include the construction dates and purchase dates of the capital investments of the private sector.

The ESP Project is scheduled to be offered for competitive bids in June, 1998 or within 3 months after a grant offer. The contraction contract would be awarded in July and substantially complete by September, 1998.

ACTIVITY	START DATE	END DATE
Engineering Plans & Specs	01/15/97	03/30/98
Event Center Site Clearing & Grubbing	05/01/97	07/30/97
Hotel Project Rezoning Approval	06/16/97	01/15/98
Center Site Grading & Subgrade Preparation	08/01/97	04/30/98
Certification of Water Supply for Hotel Project	01/15/98	05/22/98
Authorize ESP Grant Offer & Agreement		05/22/98
Advertise for ESP Project Bids	06/01/98	06/25/98
Award ESP Construction Contract		07/09/98
Utility Extensions	07/01/98	09/30/98
ESP Project Construction	07/30/98	09/30/98
Hotel A/E Plans & Specifications	01/15/98	09/30/98
Event Center Parking Lots & Onsite Roads	04/01/98	04/30/99
Hotel Project Construction	10/01/98	05/30/99

33. Is there any opposition to either the private sector project or the ESP project? If so, from whom and what is the nature of the opposition?

Several years ago, some business interests favored a rodeo grounds site north of Payson fearing the site south of town would intercept some of their traffic. No opposition has been voiced to the south side site now for several years. Nor, has there been any opposition to the hotel project or the ESP project.

34. Is project located in No Disadvantaged area of state?
Yes Rural area of state?
Yes Enterprise Zone area of state?

35. Has this applying entity ever received any previous ESP grant funds.

NO X YES _____ DATE RECEIVED: _____

AMOUNT RECEIVED: \$ _____ N/A _____
(List if more than one.)

**Note: IMPORTANT!! If yes, UPDATE PERMANENT JOBS,
DIRECTLY CREATED AND/OR RETAINED, FOR EACH
GRANT LISTED.**

36. Certification:

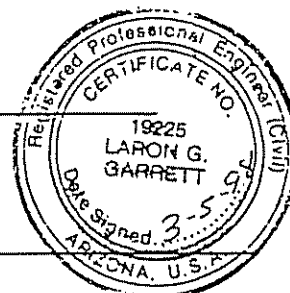
I certify that this project is compatible with other transportation facilities and conforms to all applicable construction and engineering standards.

NAME: LaRon Garrett, P.E.
TITLE: Payson Town Engineer
Phone (520) 474-5242 Ex. 283

DATE: 3-5-98

SIGNATURE: _____

LaRon G. Garrett



NAME OF CONTACT PERSON: Richard Underkofler, Payson Town Manager

SIGNATURE: _____

Richard Underkofler

TELEPHONE NUMBER

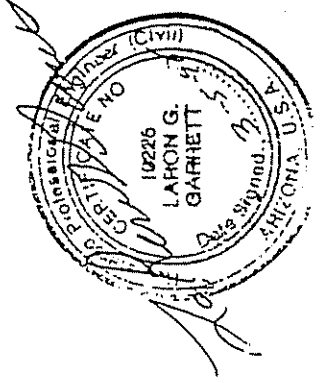
(520) 474-5242 Ex. 262

ATTACHMENT A
ECONOMIC STRENGTH PROJECTS - BUDGET DETAIL SCHEDULE

Note: No contingency costs are to be included in the total project costs.

ACTIVITY	LABOR OR UNIT PRICE	MATERIALS OR NUMBER OF UNITS	TOTAL CONSTRUCTION COSTS	ARCHITECTURAL/ ENGINEERING COSTS	TOTAL ACTIVITY COSTS	PROJECTED ANNUAL O & M COSTS
ADOT Right-of-Way Section:						
Subgrade Preparation	\$3.50	2,144 SY	\$ 7,504	N/A	\$ 7,504	
Asphalt Pavement	\$15.00	2,144 SY	32,160	N/A	32,160	
6" Vertical Curb & Gutter	\$12.00	171 LF	2,052	N/A	2,052	
Curb Termination	\$150.00	4 EA	600	N/A	600	
Sidewalk	\$2.50	1,912 SF	4,780	N/A	4,780	
Sidewalk Ramps	\$3.00	278 SF	834	N/A	834	
18" Corrugated Metal Pipe	\$25.00	14 LF	350	N/A	350	
24" Corrugated Metal Pipe	\$50.00	10 LF	500	N/A	500	
Metal Pipe End Section	\$350	2 EA	700	N/A	700	
Traffic Signal Modifications	\$35,000	LS	35,000	N/A	35,000	
Signage & Striping	\$14,000	LS	14,000	N/A	14,000	
Surveying	\$10,000	LS		\$10,000	\$10,000	
Civil Engineering	\$15,000	LS		\$15,000	\$15,000	
Electrical Engineering	\$5,000	LS		\$5,000	\$5,000	
		Subtotal	\$ 98,480	\$30,000	\$ 128,480	\$ 2,500
Green Valley Parkway Section (SR 87 to McLane Road):						
Right-of-Way	\$1.00	52,200 SF	\$ 52,200	In-Kind Donation	\$ 52,200	
Rough Grade	\$10,000	LS	10,000	N/A	10,000	
Subgrade Preparation	\$3.50	1,700 SY	5,950	N/A	5,950	
Asphalt Pavement	\$14.00	1,700 SY	23,800	N/A	23,800	
24" Corrugated Metal Pipe	\$50.00	200 LF	10,000	N/A	10,000	
Signage & Striping	\$5,000	LS	5,000	N/A	5,000	
Surveying	\$5,000	LS		\$5,000	\$5,000	
Civil Engineering	\$5,000	LS		\$5,000	\$5,000	
		Subtotal	\$ 106,950	\$10,000	\$ 116,950	\$ 1,000

ACTIVITY	LABOR OR UNIT PRICE	MATERIALS OR NUMBER OF UNITS	TOTAL CONSTRUCTION COSTS	ARCHITECTURAL/ENGINEERING COSTS	TOTAL ACTIVITY COSTS	PROJECTED ANNUAL OPERATIONS & MAINTENANCE COSTS
Green Valley Parkway Section (McLane Road to West End):						
Right-of-Way	\$1.00	43,000 SF	\$ 43,000	In-Kind Donation	\$ 43,000	
Rough Grade	\$5,000	LS	5,000	N/A	5,000	
Subgrade Preparation	\$3.50	1,400 SY	4,900	N/A	4,900	
Chip Seal	\$3.00	1,400 SY	4,200	N/A	4,200	
24" Corrugated Metal Pipe	\$50.00	100 LF	5,000	N/A	5,000	
Signage & Striping	\$2,500	LS	2,500	N/A	2,500	
Surveying	\$5,000	LS		\$5,000	\$5,000	
Civil Engineering	\$5,000	LS		\$5,000	\$5,000	
		Subtotal	\$ 64,600	\$10,000	\$ 74,600	\$ 1,000
		Total ESP Project	\$ 270,030	\$ 50,000	\$ 320,030	\$ 4,500
			Suggested Cost Allocation:			
			State Share		\$ 153,230	47.9%
			Local Share		\$ 166,800	52.1%
				Components of Local Share:		
				Town Cash	\$26,600	
				ROW Donation	\$95,200	
				Surveying & Engineering Donations	\$45,000	



Laron G. Garrett

Signature of Registered Professional Engineer

3/5/98

B

ATTACHMENT B

SOURCES AND USES STATEMENT

I. USES:

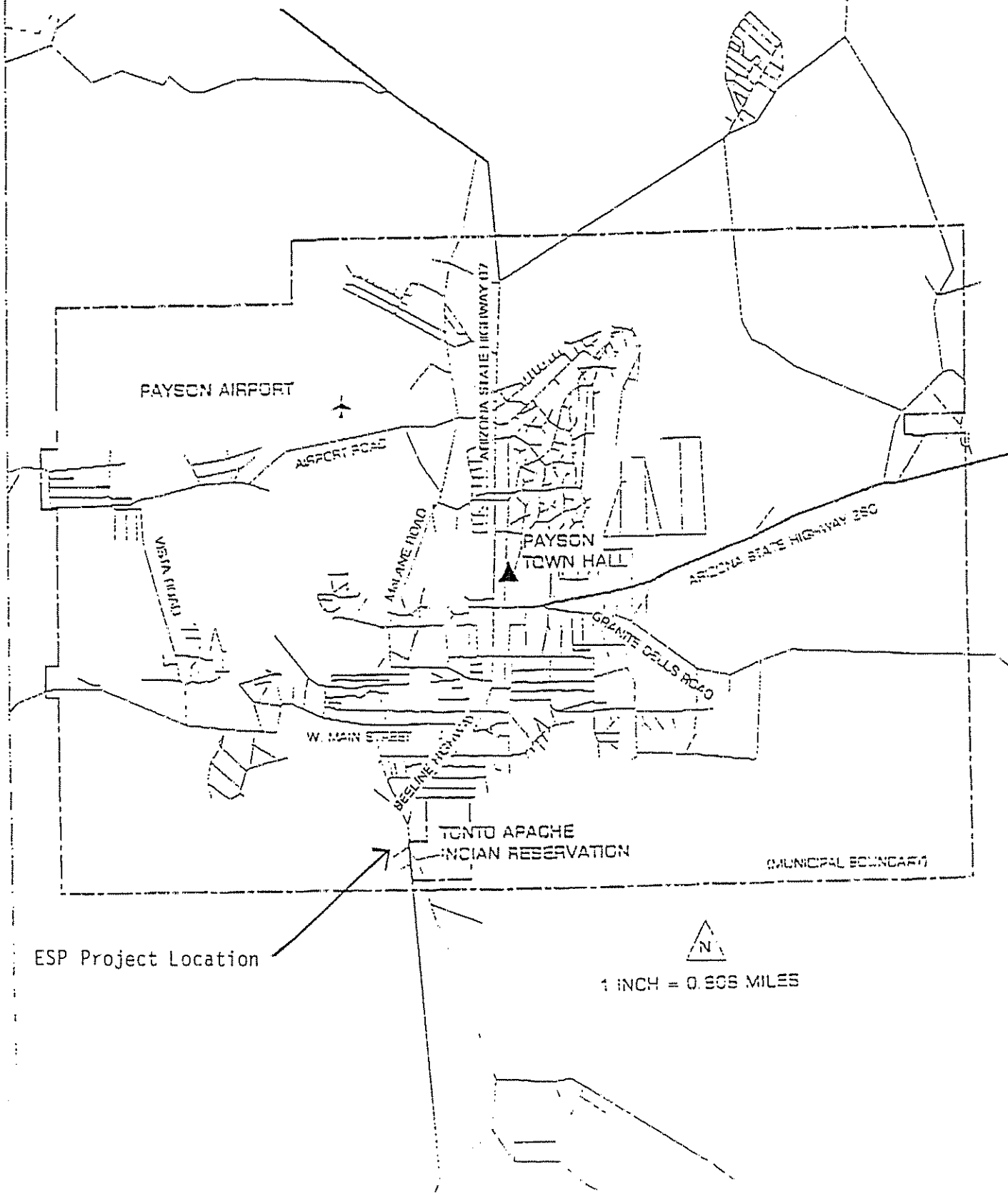
A.	Private Sector Related	
1.	Site Acquisition (vacant land)	\$ 300,000
2.	New Hotel Construction	3,000,000
3.	Residential Condominium Unit Construction	2,400,000
4.	McLane Road Realignment	<u>300,000</u>
	Sub Total	\$ 6,000,000
B.	Public Sector Related	
1.	Total ESP project improvements (Grand Total of Total Activity Costs in Attachment A and Item 23 in the Application)	\$ 320,030
2.	Local Public Sector Improvements Town cash contributions for new stock fencing, water main extension, labor, fuel and equipment to prepare the Payson Event Center site	\$ 50,000
3.	Volunteer and Private Sector Contributions for clearing, grubbing and grading, utility extensions, fencing, lighting, bleachers and other site work for the Payson Event Center	\$ <u>400,000</u>
	Sub Total	\$ 770,030
C.	Total Uses	\$ <u>6,770,030</u> *

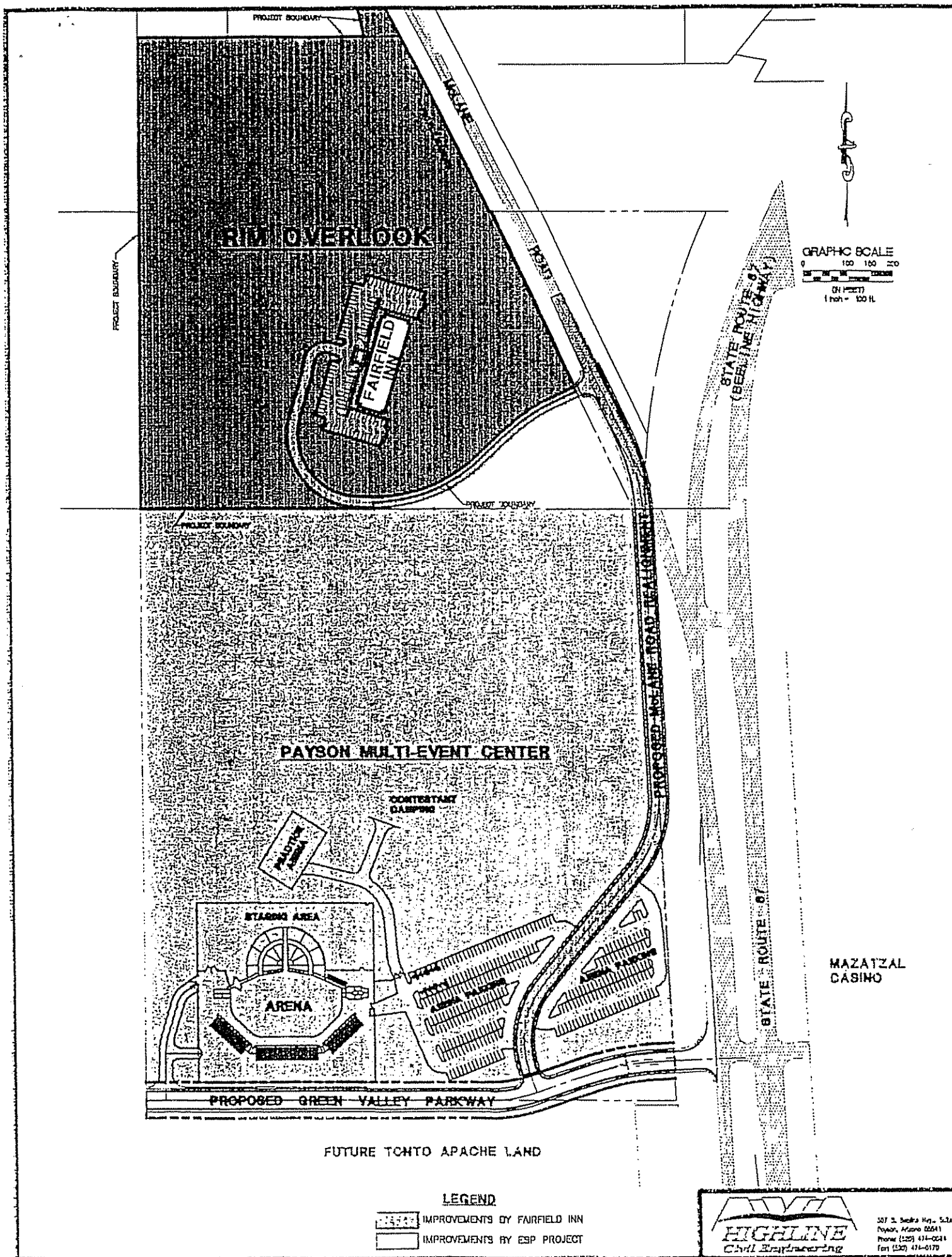
II. SOURCES:

A.	Private sector project investment ((Item 18 b) Total))	\$ 6,000,000
B.	Local public sector (direct project related)	50,000
C.	Economic Strength Projects Fund (State funds) (Item 26)	153,230
D.	ESP match	
	(2) From the public sector ((Items 27 a)(1)(2) &(3))	121,800
	(1) From the private sector ((Item 27 b))	45,000
E.	Other: Private Contributions for New Rodeo Arena	<u>400,000</u>
F.	Total Sources	\$ <u>6,770,030</u> *

* Total Uses (I.C.) must equal Total Sources (II.F.)

TOWN OF PAYSON







STATE OF ARIZONA

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GRANT WOODS
ATTORNEY GENERAL

INTERGOVERNMENTAL AGREEMENT
DETERMINATION

A.G. Contract No. KR98-1356TRN, an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATE July 30, 1998.

GRANT WOODS
Attorney General

A handwritten signature in black ink, reading "James R. Redpath", is written over a horizontal line.

JAMES R. REDPATH
Assistant Attorney General
Transportation Section

JRR:gt/14130

Enc.